



Department of Justice

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JUSTICE DEPARTMENT REQUIRES CITADEL COMMUNICATIONS CORP. TO DIVEST 3 MICHIGAN RADIO STATIONS

Divestitures Preserve Radio Advertising Competition in Saginaw, Michigan Area

WASHINGTON, D.C. -- The Department of Justice today announced that Citadel Communications Corporation has agreed to divest three central Michigan radio stations after the Department expressed antitrust concerns about Citadel's acquisition of radio stations from Liggett Broadcast Inc.

If the transaction had been allowed to proceed as initially proposed, Citadel would have controlled more than 60 percent of radio advertising revenues in Saginaw, Michigan reducing competition for radio advertising in that area.

Citadel proposed to acquire WTCF-FM and WHNN-FM from Liggett. Citadel currently owns six radio stations -- WGER-FM, WSGW-AM, WIOG-FM, WKQZ-FM, WYLZ-FM, and WILZ-FM -- in the Saginaw market.

"The sale of these three stations will ensure that businesses that buy radio advertising time in the Saginaw market will continue to have the benefits of competition, including lower prices and better services," said Joel I. Klein, Assistant Attorney General in charge of the Department's Antitrust Division.

The three stations -- WGER-FM, WTCF-FM and WSGW-AM -- will be sold to Wilks

Broadcasting, LLC, a new entity being created by The Wicks Group. The Wicks Group is a private equity firm based in New York, New York.

Citadel is a Las Vegas-based radio broadcasting company that, upon completion of pending transactions, will own or operate 211 radio stations in 45 markets. Its 1999 revenues were approximately \$178 million.

Liggett, based in Lansing, Michigan, owns 9 stations in 3 Michigan cities. Its 1999 revenues were approximately \$22 million.

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